CALIFORNIA STRATEGIC GROWTH COUNCIL

TO: Greenhouse Gas Reduction Fund Program

FROM: Louise Bedsworth
Executive Director
California Strategic Growth Council

DATE: June 11, 2019

SUBJECT: GREENHOUSE GAS REDUCTION FUND:
Office of Planning and Research / Strategic Growth Council

EXPENDITURE RECORD, FISCAL YEAR 2016-2017
Transformative Climate Communities Program (Revised)

This Attestation Memorandum documents that the Strategic Growth completed the attached Expenditure Record on June 11, 2019, for the Transformative Climate Communities Program. The Expenditure Record is consistent with the statutory requirements of Government Code Section 16428.9 to support expenditures from the Greenhouse Gas Reduction Fund.

This Attestation Memorandum and Expenditure Record will be submitted to CARB for public posting on the CARB website at: www.arb.ca.gov/caclimateinvestments. Questions on this Attestation Memorandum or Expenditure Record may be directed to Saharnaz Mirzazad at Saharnaz.Mirzazad@sgc.ca.gov or (916) 322-3932.

Louise Bedsworth
Executive Director
California Strategic Growth Council

Attachment:

cc:

CALIFORNIA STRATEGIC GROWTH COUNCIL

Greenhouse Gas Reduction Fund: Expenditure Record

Fiscal Year: 2016-17

Strategic Growth Council
Transformative Climate Communities (Revised)

NOTE: This revised Expenditure Record includes funding for an additional planning grant awarded as part of the Round II Transformative Climate Communities (TCC) Program review process and to be paid for with California Climate Investment (CCI) funds. Previous planning grants for the TCC Program were paid for with Proposition 84 funds.

Created by Assembly Bill (AB) 2722 (Burke, Chapter 371, Statutes of 2016), the Transformative Climate Communities (TCC) Program focuses on the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas (GHG) emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities. Funded plans will integrate several California Climate Investment (CCI) supported project types to achieve GHG emissions reductions from reduced vehicle miles traveled (VMT), reduced fuel and electricity consumption, waste reduction and recycling, and carbon sequestration. Plans are focused to achieve GHG emissions reductions along with co-benefits in the California communities that are most overburdened by environmental, socioeconomic and health inequities (identified as census tracts that fall within the top 5% of disadvantaged communities, as defined by the California Environmental Protection Agency using CalEnviroScreen 3.0).

(1) A description of each expenditure proposed to be made by the state agency pursuant to the appropriation

▪ Agency that will administer funding	▪ Strategic Growth Council (SGC), with administration by the Department of Conservation (DOC)
▪ Amount of proposed expenditure and appropriation reference	▪ AB 1613 and per section 0650-101-3228 of the Budget Act of 2016 (Chapter 370, Statutes of 2016), $140 million was appropriated from the Greenhouse Gas Reduction Fund (GGRF) to be used for the TCC Program.
▪ Estimated amount of expenditures for State agency administrative costs	▪ As outlined in AB 1613, not more than five percent of the amount appropriated for the TCC Program may be used for administrative costs.

	▪ State agency administrative estimates for Office of Planning and Research/SGC ($3.5M) and DOC ($3.5M) total approximately $7.0 million.
▪ If applicable, identify laws or regulations that govern how GGRF funds will be used	▪ AB 2722 established the program and provides direction on how the funds will allocated to recipients, including the requirements for project eligibility and program implementation. All GGRF monies will be allocated and managed in accordance with this law. ▪ AB 1532 (Pérez, Chapter 807, Statutes of 2012), SB 535 (de León, Chapter 830, Statutes of 2012), SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012), and SB 862 (Committee on Budget and Fiscal Review, Chapter 36, Statutes of 2014) provide the general framework for how the auction proceeds will be administered to further the purposes of AB 32. ▪ As outlined in Agenda Item 9 at the December 2016 Strategic Growth Council meeting, the SGC adopted regulations requiring "a minimum of half of the funds be allocated in the City of Fresno and a minimum of one-fourth the funds be allocated in the City of Los Angeles. The remaining funds will be allocated in a third location to be determined competitively among eligible disadvantaged community areas.
▪ Continuation of existing Expenditure Record	▪ Not applicable
▪ Project category	▪ Transportation and Sustainable Communities
▪ Type of projects that will be eligible for funding	▪ The TCC Program integrates several CCI-supported project types to achieve GHG emissions reductions. TCC eligible project types include those that are eligible for funding under existing CCI programs that meet the respective program requirements established by the administering agency, have a CARB GHG quantification methodology as of June 5, 2017, and have an Expenditure Record posted at: https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/expenditurerecords.htm. A detailed list of project types eligible for funding is provided in Attachment A. ▪ The TCC Program also provides planning grants to communities so that they can plan for and apply to receive an implementation grant. Funding from the FY 2016-17 TCC allocation will be used for a competitive planning grant award

	in the amount of $200,000 selected during Round II of the application review and award process.
▪ Intended recipients	▪ Eligible applicants may include, but are not limited to: community-based organizations, local governments, nonprofit organizations, philanthropic organizations and foundations, faith-based organizations, coalitions or associations of nonprofit organizations, community development finance institutions, community development corporations, joint powers authorities, and/or tribal governments. ▪ Eligible applicants must form a collaborative governance structure, identifying a lead applicant and all co-applicants, which must be outlined in a Memorandum of Understanding. ▪ Collaborative stakeholder structures must include a public agency as co-applicant or lead applicant. ▪ Eligible recipients for TCC Planning Grants include: cities, counties, metropolitan planning organizations, joint powers authorities, regional transportation planning agencies, councils of government, or combinations thereof. There must be a minimum of two (2) joint partners on the project.
▪ Process for selecting projects for funding	▪ The process for selecting projects and planning grants for funding will be through a competitive process, based on the merits of the applications submitted and the proposed use of funds within the identified project area. The program requirements and application selection criteria focus on the extent to which proposed plans and project types meet the TCC Program objectives of reducing GHG emissions, improving public health and environmental benefits, and expanding economic opportunity and shared prosperity, and other transformative requirements, as outlined in the Draft Scoping Guidelines, which can be found on the SGC website at www.sgc.ca.gov. The planning grant requirements and application selection criteria focus on whether the proposed activities will increase an applicant's ability to meet the transformative requirements for an implementation grant application. Applicants must also demonstrate how the proposed activities improve outcomes for vulnerable residents and are consistent with the state's planning priorities.

(2) A description of how a proposed expenditure will further the regulatory purposes of Division 25.5 (commencing with Section 38500) of the Health and Safety Code, including, but not limited to, the limit established under Part 3 (commencing with Section 38550) and other applicable requirements of law.

▪ How the expenditure is reflected in the three-year Investment Plan and the Scoping Plan	▪ AB 1532 requires that GGRF monies be appropriated in a manner that is consistent with the three-year Investment Plan (Health and Safety Code Section 39718). The "Cap-and-Trade Auction Proceeds Second Investment Plan: FY16-17 through 18-19" (Investment Plan) states that sustainable communities and clean transportation are one of the highest priorities for investment in the State since the transportation sector is the largest contributor of both GHGs and criteria pollutants.
	▪ The Investment Plan states that investment strategies that emphasize both GHG emission reductions and benefits to disadvantaged communities are priorities for CCI funding.
	▪ In addition, the Investment Plan describes and recommends integrated projects that support local climate action in disadvantaged communities as a potential 'cross-cutting' approach to investment. This approach is described as particularly advantageous in the 2,000 census tracts identified as disadvantaged communities where significant capital and jobs are needed to improve areas that have traditionally lacked investment.
	▪ Appendix A of the Investment Plan summarizes goals and concepts recommended for funding, most of which are core elements of the TCC Program:
	  ▪ Reducing GHG emissions
	  ▪ Benefitting California's most disadvantaged communities
	  ▪ Maximizing co-benefits to health, environment, and economy
	▪ The First Update to the Climate Change Scoping Plan identified key strategies and recommendations to continue reducing GHG emissions and achieve the goals and purposes of AB 32. The recommended actions for the energy sector include continuing to enhance energy efficiency, increasing localized generation, and implementing smart-grid technologies.

(3) A description of how a proposed expenditure will contribute to achieving and maintaining greenhouse gas emission reductions pursuant to Division 25.5 (commencing with Section 38500) of the Health and Safety Code.

▪ Describe how expenditures will achieve GHG reductions or net GHG benefits	▪ TCC will reduce GHG emissions by supporting integrated project types through a variety of strategies, such as promoting compact, infill development patterns, encouraging active transportation and public transit, expanding zero and near-zero emission transportation and infrastructure, promoting car sharing, reducing energy consumption through energy efficient appliances and building retrofits, reducing waste and materials going to landfills, urban forestry and green infrastructure, and land conservation and restoration. The following outlines how various selected project types will reduce GHG emissions: ▪ Energy: ▪ Immediate and long-term GHG emission reductions will be achieved by reducing on-site energy consumption and generating clean energy for households. ▪ Transportation: ▪ Transportation-related projects, such as transit vehicles with lower emissions, transit expansion, increasing transit ridership, and reducing auto VMT by shifting to zero-emission active transportation modes, such as biking and walking, will reduce GHG emissions. Projects may achieve GHG reductions by supporting the purchase of zero or near zero-emission vehicles which emit less GHG emissions than comparable conventionally fueled vehicles. ▪ Land Use: ▪ Projects will reduce GHG emissions by supporting more compact, infill development patterns, which can reduce VMT and/or increase transit ridership by siting affordable housing and riders in close proximity to transit options ▪ Natural Resources and Waste Diversion: ▪ Sequester carbon by planting trees ▪ Reduce building energy use from strategically planting trees to shade buildings. ▪ Expanding existing capacity or establishing new facilities in California to reduce the amount of California-generated green materials, food materials, and/or Alternative Daily Cover (ADC) being sent to landfills.

	▪ Organics projects achieve net GHG benefits by redirecting organic materials from landfills to composting and in-vessel digestion facilities. ▪ Recycled fiber, plastic, and glass projects achieve net GHG benefits by substituting California-generated recyclable commodities for virgin materials in manufacturing processes, to produce recycled-content products.
	▪ The list of eligible project types in the June 2017 Draft Scoping Guidelines include those that are eligible for funding under existing CCI programs that meet the respective program requirements established by the administering agency, have a CARB GHG quantification methodology as of June 5, 2017, and have an Expenditure Record posted at: https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/expenditurerecords.htm. A detailed list of project types eligible for funding is provided in Attachment A.
▪ Expected time frame when reductions will be achieved and how expenditure will maintain GHG reductions or net GHG benefits	▪ Assuming funding recommendations are approved by SGC in early 2018, the GHG emission reductions may begin as early as the end of 2018. However, the actual timeframe for achieving GHG emission reductions is dependent on the project types proposed by each of the selected grantees. Proposed project types will vary and will not be known to the SGC until the application process. Additionally, depending on the project types included in the TCC Proposal, there will be variation in the useful life of selected projects and the timeframe over which GHG benefits are quantified. GHG emission reductions from TCC expenditures will be maintained for each selected project type in a manner consistent with how each project type is maintained under the applicable CCI program. ▪ Energy efficiency and greening projects will begin to reduce GHG emissions upon adoption and/or installation of technology. ▪ Transportation and transit projects will begin to reduce GHG emissions when projects are operational, typically within one to ten years of projects receiving funding. ▪ Land use projects will reduce GHG emissions upon completion of improvements to pedestrian, bike, and transit infrastructure, and through completion of affordable housing developments and occupancy by residents. GHG emission reductions will be

maintained for the length of the development (e.g., 30 years) as well as in future use of the infrastructure.

- Urban greening projects can expect to achieve GHG reductions within one year of planting, and will continue for a period of 40+ years.
- Food waste prevention projects will affect GHG emissions upon implementation and will continue for the duration of the project.

(4) A description of how the state agency considered the applicability and feasibility of other nongreenhouse gas reduction objectives of Division 25.5 (commencing with Section 38500) of the Health and Safety Code.

	▪ In addition to achieving GHG benefits, these expenditures will address public health and safety, environmental, social, and economic benefits. All of these benefits, through the TCC program, will be directed to California's most disadvantaged communities; those communities most overburdened by environmental, socioeconomic, and health inequities. Additional detail will be included in the next revision of the June 2017 Draft Scoping Guidelines discussing the evaluation of co-benefits as part of the competitive score. Project types funded by TCC are expected to result in the following co-benefits:
▪ Expected co-benefits, particularly environmental, economic, public health and safety, and climate resiliency	<u>Public Health and Safety Benefits</u>: ▪ Reduce health harms (e.g. asthma) suffered disproportionately by low-income residents/communities due to reduction of air pollutants from vehicle emissions (reduced VMT and/or zero- or lower-emitting vehicles). ▪ Reduce health harms (e.g. obesity) suffered disproportionately by low-income residents/communities due to the location of the built environment, access to parks and other natural green spaces, and robust/healthy food systems. Active transportation improvements (e.g., bicycling and walking paths connecting to transit stations) will support increased public health benefits. ▪ Increase safety through improved transportation and transit infrastructure. ▪ Improved comfort and well-being through building insulation and energy efficiency retrofits. <u>Environmental Benefits</u>: ▪ Improve air quality resulting from cleaner transit vehicles and/or reduced VMT that reduce emissions

of criteria pollutants, toxic air contaminants, and particulate matter.
- Encourage zero-emission vehicles and infrastructure.
- Reduce building energy usage.
- Improved air quality resulting from renewable and cleaner energy sources that reduce emissions of criteria pollutants, toxic air contaminants, and particulate matter.
- Improved wildlife habitat from creation and restoration of natural and green spaces.

Economic Benefits:
- Support the construction of affordable housing near transit for low-income households, reducing economic costs of housing near transit.
- Increase economic benefits through reduced transportation costs and improved mobility for transit riders through improved and expanded service.
- Increase economic development opportunities for communities through improved transportation infrastructure to attract and retain businesses.
- Increase access to employment through better connectivity of homes and jobs, especially for disadvantaged communities.
- Increase economic benefits for low-income households through energy efficient building and retrofits, thereby reducing energy costs.
- Increase economic benefits through implementation of displacement avoidance strategies for low-income households.
- Increase economic benefit to community and low-income households by incentivizing investment through required leverage funding for co-benefit projects.
- Increase economic benefit to community and low-income households through workforce development and job creation related to project implementation.

Climate Resiliency:
- Address needs of vulnerable populations through project design considerations.

	▪ Reduce health risks by encouraging the incorporation of project components that address urban heat island effect (e.g. shade trees, structures) around housing and transportation.
▪ How the project will support other AB 32 objectives	▪ Projects will align and complement the State's efforts to improve air quality and direct public investment toward the most disadvantaged communities in California. ▪ In addition, funded projects will provide an opportunity for small businesses, schools, local residents, non-profits and other community organizations to participate in and benefit from statewide efforts to reduce GHG emissions. ▪ Achievement of multiple community co-benefits is strengthened through the requirement of at least three public health and environmental goals, and at least three economic opportunity and shared prosperity goals. Other AB 32 benefits, depending on project types included in the selected TCC proposals include, but are not limited to: ▪ Improve and modernize California's energy infrastructure. ▪ Maintain electric system reliability through energy efficiency and reduced consumption. ▪ Maximize additional environmental and economic co-benefits for California. ▪ Complement the State's efforts to improve air quality. ▪ Direct public and private investment toward the most disadvantaged communities in California.
▪ Percentage of total funding that will be expended for projects that are "located within" and "provide benefits to" disadvantaged communities, per the criteria in Volume 2 of ARB's Funding Guidelines	▪ As outlined in the June 2017 Draft Scoping Guidelines, applicants must define a contiguous project area that is no larger than five-square miles and is within the boundary of a single city. ▪ According to the June 2017 Draft Scoping Guidelines, eligible plans must contain: ▪ At least 75 percent of the project area overlapping with census tracts within the top 5 percent of disadvantaged communities as identified by CalEnviroScreen 3.0; ▪ The remaining 25 percent of the project area must be within either a disadvantaged community or low-income community; and ▪ GGRF funds provided only go to project types that benefit disadvantaged communities according to CARB's Funding Guidelines.

- SGC anticipates that 100 percent of funding will be expended for projects and planning grants that are located within and provide benefits to disadvantaged communities.
- For the Round II Planning Grants, applicants were required to define a planning area comprised of census tracts that rank within the top 25% disadvantaged communities, per CalEnviroScreen 3.0.

▪ Describe the disadvantaged community benefits and explain strategies the agency will use to maximize benefits	▪ In addition to GHG emission reductions as a program objective, the TCC Program outlines two remaining program objectives related to disadvantaged community benefits. Applicants are required to establish a minimum of three goals for each of the following TCC Objectives and must develop strategies and implement projects to achieve those goals. ▪ Objective 1: Improving Public Health and Environmental Benefits ▪ Transportation project expenditures improve public health by reducing emissions from vehicles and equipment operating in or near disadvantaged communities and may directly increase residents' access to cleaner vehicles and transportation. ▪ Projects to increase energy efficiency will reduce the carbon footprint and energy costs of low-income residents, allowing economic benefits to accrue to tenants, property owners and affordable housing administrators, and helping to preserve affordable housing serving low-income populations in disadvantaged communities. ▪ Urban and community forestry projects provide direct benefits to disadvantaged communities which also tend to be areas with the least urban forest resources. ▪ Waste diversion projects can improve air and water quality in disadvantaged communities, provide access to jobs/job training; create food rescue projects that increase access to healthy food; and/or divert waste from landfills located in disadvantaged communities. ▪ Objective 2: Expanding Economic Opportunity and Shared Prosperity ▪ Investments to modernize intercity rail, bus, ferry, and rail transit systems in disadvantaged communities improve access to jobs, schools, and businesses. ▪ The construction of active transportation infrastructure will provide benefit to disadvantaged communities through better and safer access to

jobs, shopping, schools, and other essential services.
    - Local jobs are likely to be created for those living in disadvantaged communities. Local businesses in disadvantaged communities are likely to be hired to perform at least some of the work on these projects.
- Transformative requirements have been identified as a strategy to maximize benefit to disadvantaged communities. TCC proposals must include several plans that will outline how projects will benefit disadvantaged communities, including:
    - Displacement Avoidance Plan – TCC proposals must incorporate strategies that will reduce displacement risk and avoid displacement of existing households and small businesses within the disadvantaged community.
    - Community Engagement Plan – TCC proposals are required to include a Community Engagement Plan, which outlines the collaborative stakeholder structure established by the lead and co-applicants to plan and implement the project. Collaborative stakeholder structures must identify a process for involving community representatives in decision-making. Additionally, proposals will be given selection priority based on the quality and integration of their Community Engagement Plan during all phases on the project.
    - Leverage Funding Match – TCC proposals must secure a minimum of 50% match of the awarded grant amount to incentivize investment in projects that benefit disadvantaged communities.
    - Climate Adaptation and Resiliency – TCC proposals must describe how the project area will adapt and respond to the anticipated impacts from climate change, including identification of at least three risks within the project area.
    - As outlined in the June 2017 Draft Scoping Guidelines, TCC proposals will be evaluated based on the quality of their goals, strategies and project types, and priority will be given to those proposals that select

a robust combination of public health, environmental and economic strategies to meet their goals and address the needs of the community.

- For the Round II planning grants, applicants were required to describe how the proposed planning activities focus on improving outcomes for vulnerable residents within the Planning Area. Ten points in scoring are allocated to communities if they meet this requirement.

(5) A description of how the state agency will document the result achieved from the expenditure to comply with Division 25.5 (commencing with Section 35800) of the Health and Safety Code.

▪ How the agency will track and report progress to make sure projects are implemented per GGRF requirements	▪ SGC and DOC will require funding recipients to maintain records and submit quarterly status reports. In addition, the SGC and DOC will conduct periodic reviews of selected projects. ▪ If a funding recipient does not perform in accordance with program requirements, the recipient will be subject to the remedies for non-performance, as identified in the program guidelines. ▪ Applicants are required to track and report on project implementation pursuant to CARB's 2015 Funding Guidelines and the 2016 Supplement. Additional reporting requirements may also be required, based on forthcoming guidance relative to future revisions of the Funding Guidelines by CARB.
▪ Approach that will be used to document net GHG reductions before and after project completion. Include citations for references that support methodology	▪ SGC is working closely with CARB to develop the GHG quantification methodologies that will be used to estimate GHG emission reductions for the various proposed projects types. ▪ The quantification methodology (QM) refers to existing QMs for project types under existing CCI programs, and will integrate the results for GHG emissions depending on selected project types. ▪ SGC will coordinate with CARB and a third-party Technical Assistance provider (contracted by SGC) to estimate net GHG emission reductions using CARB's Quantification Methodology for each of the selected TCC proposals. Agency staff will review calculations prepared by project proponents to ensure consistency with approved methods.
▪ Type of information that will be collected to document project results, as described in ARB guidelines	▪ SGC and DOC will collect any necessary data to document GHG emission reductions in accordance with ARB's Funding Guidelines, quantification methodology and other guidance. Information collected will be dependent on selected project

	types as part of the TCC proposal. This may include, but is not limited to: ▪ Project location and geographic area ▪ Project data required by each existing CCI program, based on project type ▪ Baseline and reduced VMT ▪ Avoided GHG emissions over the project life ▪ Number of affordable housing units developed to serve low income residents ▪ Benefits to disadvantaged communities, including information on how community needs were meaningfully addressed ▪ Other project benefits or results ▪ In addition to project data and results required by CARB Funding Guidelines, SGC will contract with a third-party entity to identify indicators, track and monitor TCC program impact and benefits to each of the communities in selected project areas. These will be identified following TCC proposal selection.
▪ How the agency will report on program status	▪ The agency will provide annual updates on expenditures, project status, project location, and benefits in reports prepared according to CARB's 2015 Funding Guidelines, the 2016 Funding Guidelines Supplement, and any forthcoming guidance provided by CARB based on future revisions to the Funding Guidelines. At a minimum, the reports will include expenditure amounts, current estimates of GHG emission reductions, and information on other applicable co-benefits (e.g., jobs created, vouchers issued, units retrofitted, etc.).

▪ Type of projects that will be eligible for funding	▪ The TCC Program integrates several CCI-supported project types to achieve GHG emissions reductions. TCC eligible project types include those that are eligible for funding under an existing CCI programs that meet the respective program requirements established by the administering agency, have a CARB GHG quantification methodology as of June 5, 2017, and have an Expenditure Record posted at: https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/expenditurerecords.htm. The following is a detailed list of project types eligible for funding. ▪ Transit and Intercity Rail Capital ▪ Projects that demonstrate the achievement of a reduction in GHG emissions by increasing transit ridership and reducing VMT throughout California, including, but not limited to: ▪ Rail capital projects, including the acquisition of railcars and locomotives that expand, enhance, or improve existing rail systems and connectivity to existing and future transit systems, including the high-speed rail system ▪ Intercity, commuter, and urban rail projects that increase service levels, improve reliability, or decrease travel times, including infrastructure access payments to host railroads in lieu of capital investments ▪ Rail, bus, and ferry integration implementation, including: integrated ticketing and scheduling systems, shared use corridors, related planning efforts, and other service integration initiatives ▪ Bus rapid transit and other bus and ferry transit investments to increase ridership and reduce GHG emissions ▪ Low Carbon Transit Operations ▪ Projects include transit operating or capital assistance that reduce GHG emissions and meet any of the following criteria: ▪ Supports new or expanded bus or rail services, new or expanded water-borne transit, or expanded

intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities
    - Operational expenditures that increase transit mode share
    - Purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure

- Active Transportation
    - New pedestrian facilities
    - New bike paths or lanes (Class I, Class II, or Class IV)
    - New or expanded bike share

- Affordable Housing and Sustainable Communities
    - Transit Oriented Development Project Areas supporting VMT reduction through fewer or shorter vehicle trips, or transportation mode shift to transit use, bicycling, or walking by integrating high-quality transit and key destinations including affordable housing/mixed-use development
    - Integrated Connectivity Project Areas supporting VMT reduction through fewer or shorter vehicle trips, or mode shift to transit use, bicycling, or walking within areas lacking high-quality transit, but still proximate to transit
    - Rural Innovation Project Areas, which have similar characteristics as ICP Project Areas, but are located in areas designated as rural communities.
    - Projects that increase the availability of affordable housing, while at the same time building infrastructure that supports shortened or reduced vehicle trip length, or mode shift to transit, bicycling, or walking. These alternatives allow residents easy access to employment centers and key destinations via low-carbon transportation options resulting in fewer VMT. Examples include, but are not limited to, the following:
        - Affordable housing adjacent or connected to transit via walkable or bikeable pathways
        - Pedestrian or bicycle infrastructure connecting residential or commercial development to transit, or to a larger transportation network

    - Construction of complete streets infrastructure allowing pedestrians, bicyclists, and transit sufficient space to operate and enhance safety
    - Transit infrastructure improvements which encourage increased ridership and mode shift, including safety, wayfinding, bicycle parking and other amenities
  - In conjunction with capital improvements, programs which encourage or change behavior of riders – including free or subsidized transit passes; bicycle and pedestrian safety and outreach programs; and other programs that encourage transportation mode shift from single-occupancy vehicles.

- Sustainable Agricultural Lands Conservation
  - Agricultural Land Conservation Strategy and Outcome grants are limited to five specific set of approaches and outcomes discussed in the respective Program Guidelines to protect important agricultural land resources under threat of conversion. This component of the program incentivizes local governments toward developing local and regional land use policies, and implementation activities that more fully integrate agricultural land conservation.

    Planning efforts can only be funded when they result in on-the-ground implementation that reduces GHG emissions. Therefore, the Strategies must ultimately result in zoning ordinances that effectively eliminate development on agricultural lands under threat of conversion, and/or result in the purchase of agricultural conservation easements, thereby avoiding conversion of strategic farmland and rangeland to urban and rural residential development.

    No funds from the GGRF may be reimbursed to the project until the proposed Strategy demonstrates an outcome that protects agricultural lands from conversion and results in quantifiable GHG reductions as identified in the respective Program Guidelines. GHG reductions achieved by Strategy projects may not be included in a subsequent request for GGRF monies.

- Agricultural Conservation Easement grants to record permanent conservation easements on cultivated and non-cultivated land (including rangeland and pasture) at risk of conversion

- Low Carbon Transportation
  - Purchase of new zero-emission and plug-in hybrid passenger vehicles
  - Voluntary vehicle retirement (car scrap) and replacement with used or new hybrid, plug-in hybrid, or zero-emission vehicles
  - Car share projects for advanced clean vehicles (i.e., hybrids, plug-in hybrids, and/or zero-emission vehicles) and associated infrastructure in disadvantaged communities
  - Financing assistance, such as loan loss guarantees or interest rate buy-down programs, for lower-income consumers interested in moving into used or new hybrid, plug-in hybrid, or zero-emission vehicles
  - Expanded access to cleaner, lower GHG-emitting transportation options for agricultural workers in the San Joaquin Valley's disadvantaged communities
  - Advanced GHG emission reduction technologies for heavy-duty vehicles in the freight transport and other sectors
  - Incentives for zero-emission off-road freight equipment in the early stages of commercialization to accelerate deployment and drive consumer acceptance
  - Pilot deployment of larger numbers of zero-emission trucks, transit buses, or school buses, including potential funding for charging or fueling infrastructure
  - Cleaner buses for rural school districts including zero-emission school buses, near zero-emission plug-in hybrid school buses, and school buses with internal combustion engines or hybrid school buses operating on renewable fuels that reduce GHG emissions
  - Incentives to truck owners for the purchase of trucks certified to the optional low NOx standards along with a requirement to use low carbon, renewable fuel to maximize GHG benefits

- Vouchers to help California fleets offset the higher up-front cost of purchasing hybrid and zero-emission trucks and buses

- Low-Income Weatherization
  - Weatherization and energy efficiency upgrades, solar water heating, and/or solar PV systems for single- and multi-family low-income dwellings in disadvantaged communities and potentially in other communities

- Planning Grants
  - Planning grants can be used by communities to prepare for an implementation grant application. Funds can specifically be used to address the transformative requirements of the implementation grant application, including developing displacement avoidance, community engagement, and climate adaptation and resiliency plans.

- Water-Energy Efficiency
  - Commercial or institutional water efficiency programs or projects, or residential water efficiency programs or projects benefitting disadvantaged communities, that reduce GHG emissions, and also reduce water and energy use

- Urban and Community Forestry
  - Urban tree planting and planting of urban vegetation to reduce GHG emissions, tree and plant establishment care, and site preparation. In addition to tree planting (required for all Urban Forest Expansion and Improvement projects), a project may also involve urban tree site improvements to create larger, more functional planting sites for trees and associated vegetation such as bioswales and the acquisition of small, vacant parcels to be improved for purposes consistent with the California Urban Forestry Act.
  - Creation, development, and implementation of projects to better utilize trees and/or other vegetation from urban forests. The trees that are utilized must not have been removed solely for purposes of utilization; there must be another valid management objective behind the removal of the trees. Urban Wood and Biomass Utilization projects

must show that the removed trees were replaced with trees of similar or improved long-term carbon storage and co-benefits
    - Improving long-term management of urban forests to reduce GHG emissions and improve urban forest performance over time. Projects may involve the establishment or updating of a jurisdiction-wide tree inventory, urban forest mapping and analysis, and/or long-term management plan. May include policy integration or ordinance development. All Urban Forest Management projects must include a tree planting component during the project performance period.

- Waste Diversion
    - Eligible projects must be located in California and result in permanent, annual and measurable greenhouse gas (GHG) emission reductions and increases in the quantity of materials diverted from landfills; a number of the projects must also provide economic/environmental benefits to disadvantaged communities. The types of eligible projects include:
        - Construction, renovation, or expansion of facilities to increase in-state infrastructure for:
            - The digestion or composting of organics into compost, soil amendments, biofuels, or bioenergy
            - The manufacturing of value-added finished products using California derived recycled content fiber, plastic, or glass
        - Construction, renovation, or expansion of facilities to increase in-state infrastructure for:
            - The preprocessing of organics when providing preprocessed materials to an in-state digestion or composting facility that is using the waste to make compost, soil amendments, biofuels, or bioenergy
            - The preprocessing of fiber, plastic or glass waste when providing preprocessed materials to an in-state manufacturing facility that is using the waste to make finished products
        - Construction, renovation, or expansion of organics facilities can include a food waste prevention component or partner in the project. Food waste

prevention must result in a measurable reduction in food waste that would otherwise be destined for a landfill. Food waste prevention can prevent food waste from being generated or divert edible food from landfills. Food rescue projects result in the diverted food being distributed to people, with any food waste residuals from the project being sent to composting or digestion when available within their service area.

- A recycled fiber, plastic, or glass project may incorporate a textile reuse component or partner in the project (Recycled Fiber, Plastic, and Glass Grant Program only). Textile reuse must result in a measureable reduction in landfill disposal of textiles. Textiles include, but are not limited to clothing, linens and towels. Projects must result in diverted textiles being distributed to people for reuse in California; any textile residuals must be sent to a recycling facility when one is available within the project service area.

- Urban Greening
  - Projects that result in net GHG benefits by sequestering carbon, decreasing energy consumption, and reducing vehicle miles traveled. Examples of eligible urban greening projects may include, but are not limited to, the following:
    - Establishment, enhancement and expansion of neighborhood parks and community space through acquisition, and other mechanisms
    - Greening of public lands and structures, including schoolyards, and which may include incorporation of riparian habitat for water capture and provide for other public and wildlife benefits
    - Green streets and alleyways
    - Non-motorized urban trails that provide safe routes for travel between residences, workplaces, commercial centers, and schools
    - Urban heat island mitigation and energy conservation efforts